

Well, if that is a little bit difficult to understand, then let us look at this chart instead. On this chart, this shows how much each family gets. Families with more than \$200,000 per year of income would get, on average, \$5,000 of tax reduction. And 49 million families, about 45 percent of all Americans, that have under \$30,000 of income per year, they would get on average \$57 a year, or about \$1 per week would be their share of this tax cut.

Now, they claim they are not going to make the deficit larger, so we are going to be debating this next week the so-called rescissions bill, a \$17 billion rescissions bill.

Well, Madam Speaker, in NEWT GINGRICH's America, Republican will cut infant mortality prevention and prenatal nutrition and children's foster care and safe and drug-free schools for children, education for disadvantaged children, and domestic violence prevention and shelters for homeless families. But they will not do it with my vote.

Next week, in NEWT GINGRICH's America's these radical-right Republicans will cut vocational and technical education and Americorps, the National Community Corps, school dropout prevention, college scholarships and summer jobs. But not with my vote.

And next week, in NEWT GINGRICH's America, these Republican extremists will cut rental assistance for low-income families and public housing maintenance and safety and home heating assistance for 6 million American families, every one of who happens to lie in this lower category. But not with my vote.

In NEWT GINGRICH's America, to go back to this we are going to take \$16 billion of cuts, over \$300 for every single family in this category, and transfer it to families in this category.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT ELIMINATION ACT OF 1995

The SPEAKER pro tempore. Under the Speaker's announced policy of January 4, 1995, the gentleman from Colorado [Mr. HEFLEY] is recognized during morning business for 5 minutes.

Mr. HEFLEY. Madam Speaker, French economist Jean-Baptiste Say is famous as the author of Say's Law, sometimes summarized as "Supply creates its own demand." In economic circles, this law is still the subject of debate.

Here in Washington, however, the Department of Housing and Urban Development has been proving Say's Law for the past 30 years. We keep increasing spending on public housing, and the problem just gets worse.

Contrary to popular belief, housing assistance was not cut during the Reagan years. Discretionary Federal assisted housing outlays have grown from \$165 million in 1962 to \$5.5 billion in 1980 and \$23.7 billion in 1994, result-

ing in 55 percent more families being assisted today than in 1980.

Has this dramatic growth solved the problem? No. Today, after HUD's budget has grown by over 400 percent in 15 years, only 30 percent of the families eligible to receive housing assistance are doing so.

And what kind of housing are they receiving? The 1992 report on severely distressed public housing found many public housing residents afraid to leave their own homes due to prevalent crime while others were living in decaying conditions that threatened their safety and health.

According to HUD's own statement of principles issued January of this year, "the rigidly bureaucratic, top-down, command-and-control public housing management system that has evolved over the years has left tens of thousands of people living in squalid conditions at a very high cost in wasted lives and Federal dollars."

Three decades of HUD and homeownership is down, homelessness is up, and millions of low-income Americans are condemned to live in substandard housing which would be unacceptable if it were owned by anyone else.

Say's Law indeed.

Quite simply, HUD has failed its mission of providing decent, low-income housing to America's poor. On the other hand, it has done an excellent job of providing jobs to over 4,000 Washington bureaucrats who oversee the hundreds of programs within the Department.

For these reasons, I have introduced legislation to abolish HUD by January 1, 1998, and consolidate its needed existing programs into block grants and vouchers.

If it is truly the job of government to subsidize low-income housing, then let's do it without the middle man. Rent vouchers allow low-income people to choose their own home, rather than have some bureaucrat choose it for them. Block grants give money directly to the States and local governments—that much closer to the taxpayers who pay the bills.

These reforms are in line with the recommendations recently outlined by HUD itself. The administration's own reform plan proposes eliminating all direct capital and operating subsidies to existing public housing authorities and converting these funds to rent certificates.

For years, conservatives and liberals alike have been championing similar reforms, and it's good to see the current administration jumping onboard.

On the other hand, the administration's effort falls short of the bottom line. Bill Clinton proposed to consolidate HUD's 60 public housing programs into three general funds. He then requested an increase in HUD's budget.

Madam Speaker, America's poor do not just suffer from a surplus of bureaucrats telling them where to live and what to do. They also suffer from excess government that destroys jobs and opportunity.

With \$200 billion deficits projected into the next century, it isn't enough to just consolidate many little programs into a few big programs. We have to reduce the size of Government overall. We need to eliminate entire departments. We need to abolish HUD.

It is time to admit that Uncle Sam makes a lousy landlord and end this 30-year experiment in socialist domestic policy. As Bill Clinton said in his State of the Union Address, "The old way of governing around here actually seemed to reward failure."

Let us stop rewarding HUD's failure by abolishing HUD and eliminating the unnecessary bureaucracy. The alternative is to continue investing in instant ghettos and Federal bureaucrats.

That's a solution we have tried for 30 years, and it just has not worked.

VA RESCISSIONS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 4, 1995, the gentleman from Virginia [Mr. SCOTT] is recognized during morning business for 3 minutes.

Mr. SCOTT. Madam Speaker, the strength of our national defense has always depended not only on the size of our armory, but in the people who serve. Stock piles of bullets, bombs, and ships are of no use without the brave men and women who are willing to put aside personal hopes and dreams for a time to serve the common good. We owe a tremendous debt of gratitude to these Americans; and one of the ways we have done this is to provide health care services to our veterans. Unfortunately, these services are now the subject of proposed budget cuts.

The rescissions that target Veterans' hospitals, and more specifically remove funding for ambulatory care facilities at Veterans' hospitals, will reduce access to general health care for our veterans, and will make it more difficult to deliver important preventive health care services at these facilities.

The construction of the ambulatory facility at the VA hospital in Hampton, VA is also considered a top priority by the 177,000 patients that currently receives its services. As the fourth oldest hospital in the system, the VA Medical Center in Hampton provides outpatient and inpatient care to veterans who have defended our country in its time of need. This veterans' facility and the others across the country are able to return the favor by meeting health care needs of these dedicated veterans.

The six projects under attack in the GOP rescissions, are not new projects. Several have been under consideration for congressional funding since 1989. The funding has been approved in the past. It is only now, as the new majority looks for ways to finance tax cuts, that the ambulatory care facilities are at risk.

Mr. Speaker, the veterans who use these facilities are not wealthy, or